

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SOUTH CENTRAL)
KENTUCKY CELLULAR CORP. FOR ISSUANCE)
OF CERTIFICATE(S) OF PUBLIC)
CONVENIENCE AND NECESSITY TO)
CONSTRUCT ADDITIONAL CELL SITES IN)
THE KENTUCKY RURAL SERVICE AREA NO.)
5 WHICH INCLUDES ADAIR, BARREN,)
CLINTON, CUMBERLAND, HART, MCCREARY,)
METCALFE, MONROE, RUSSELL AND WAYNE)
COUNTIES, KENTUCKY, AND ANY OTHER)
NECESSARY APPROVAL)

CASE NO. 91-297

O R D E R

This matter arising upon petition of South Central Kentucky Cellular Corp. ("South Central") filed August 19, 1991 pursuant to 807 KAR 5:001, Section 7, for confidential protection of its construction cost estimate and pro forma income statement, its information on South Central's financial capability, and its balance sheet as of July 20, 1991 on the grounds that public disclosure of the information is likely to cause South Central competitive injury, and it appearing to this Commission as follows:

The information sought to be protected was filed in conjunction with South Central's application for a Certificate of Public Convenience and Necessity to construct additional cell sites. In support of its application, South Central has filed a construction cost estimate and pro forma income statement for the first 24 months following completion of construction which

contains construction costs for the proposed additional cell sites and expenses of operating the proposed system, information on its financial capability which contains an agreement between its shareholders and South Central and a resolution by South Central's board of directors relating to financing of the construction and operation of the proposed additional cell sites, and its balance sheet as of July 20, 1991. This information is not known outside of South Central and is known only to those South Central employees who have a business need to know the information. South Central has sought to protect and preserve the confidentiality of the information through all appropriate means.

807 KAR 5:001, Section 7, protects information as confidential when it is established that disclosure is likely to cause substantial competitive harm to the party from whom the information was obtained. In order to satisfy this test, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

The cellular telephone market is a competitive industry. This is reflected by the fact that South Central faces competition in its cellular market from the wireline permittee, GTE Mobilnet Incorporated. The information sought to be protected contains capital and operating costs which its competitors could use in structuring competing rates and marketing their services. Thus, disclosure of the information is likely to cause South Central

competitive injury and the information should be protected as confidential.

This Commission being otherwise sufficiently advised,

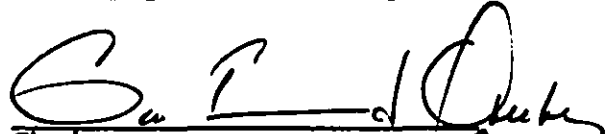
IT IS ORDERED that:


1. The construction cost estimate and pro forma income statement, the information on South Central's financial capability, and the balance as of July 20, 1991, which South Central has petitioned be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

2. South Central shall, within 10 days of the date of this Order, file an edited copy of the information with the confidential material obscured for inclusion in the public record, with copies to any party of record.

Done at Frankfort, Kentucky, this 4th day of September, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

Commissioner

ATTEST:


Executive Director